directly by such Service as if it were a collecting agent.

[T.D. 7054, 35 FR 12117, July 29, 1970, as amended by T.D. 7190, 37 FR 12794, June 29, 1972; T.D. 7316, 39 FR 21126, June 19, 1974; T.D. 7517, 42 FR 58935, Nov. 14, 1977; T.D. 7953, Redesignated and amended by T.D. 8328, 56 FR 190, Jan 3, 1991; T.D. 8442, 57 FR 48186, Oct. 22, 1992]

Subpart F—Collection of Tax By Persons Receiving Payment

§ 49.4291-1 Persons receiving payment must collect tax.

Except as otherwise provided in section 4263(a), every person receiving any payment for facilities or services on which a tax is imposed upon the payor thereof under chapter 33 shall collect the amount of the tax from the person making that payment. Under section 7501, all taxes collected in this manner are held by the collecting agent in trust for the United States. If the person from whom the tax is required to be collected refuses to pay it or if for any reason it is impossible for the col-

lecting agent to collect the tax from that person, the collecting agent is required to report to the district director the name and address of that person, the nature of the facility provided or service rendered, the amount paid therefore, and the date on which paid. Upon receipt of this information the district director will proceed against the person to whom the facilities were provided or the services rendered to assert the amount of tax due, affording that person the same district conference, protest, and appellate rights as are available to other excise taxpayers. In addition, when a field or office audit of a collecting agent's records, or of a taxpayer's records, discloses that the collecting agent failed during prior reporting periods to collect taxes due, the district director may assert those taxes directly against the person to whom the facilities were provided or the services rendered, whether or not the collecting agent had attempted collection or the person liable for the tax had refused payment thereof.

[T.D. 8685, 61 FR 58007, Nov. 12, 1996]